

GROWTH OF GERMAN INFLUENCE

Foreign trade. In reality, the trade between the two countries was even greater. This was due to the fact that most German goods imported via Trebizond and Istanbul or via England and India were not counted by Iranian authorities as German, but as Turkish, British, or Indian merchandise.¹⁰

German-Iranian trade possessed the characteristics typical of trade between a highly developed industrial country and an agrarian semi-colonial area. Germany naturally exported to Iran all sorts of machinery and tools. In the year preceding the German-Soviet war Germany supplied Iran nearly 80 per cent of all the machinery imported by the latter, i.e., almost four times as much as all other countries combined. In the field of motors and electrical machines Germany's share was even larger, almost monopolistic. Germany exported to Iran important quantities of metals, paper, and chemicals (the I. G. Farben Industrie dominated the trade in aniline colors for carpets). Despite her role in building up Iranian textile industry, Germany was also able to export her own textile products. During the last four years before the outbreak of the German-Soviet war she supplied more than 50 per cent of all imported textiles. In 1938-1939 alone, her exports of woollens to Iran constituted 75 per cent of all woollens imported by the latter. Characteristically, Germany imported from Iran raw wool and exported finished products.

Germany's increasing domination of the Iranian market was also illustrated by the fact that by 1937 registered German trademarks in Iran were more numerous than the trademarks of any other country (German—351; British—285; American—177; Soviet—143; French—118)."

In contrast to German industrial exports, Iranian exports to Germany were mostly of an agricultural or raw material type. Of finished products, only carpets were significant. By 1940-1941 Germany's purchases of Iranian cotton were almost 60 per cent of the total. Since Japan was another important buyer, the two Axis powers monopolized almost 90 per cent of Iranian cotton exports. German purchases of wool were even more impressive, especially after the begin-

¹⁰ According to Haji Gholi Khan Ardalan, *Die Stellung Persiens in der Weltwirtschaft* (Teheran, 1929).

¹¹ *Orient Nachrichten*, no. 22, Dec. i, 1937, p. 336.